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Dear Foster Parent,

On behalf of the Indiana Department of Child Services (DCS) I want to thank you for the work you do for the children that we serve. Your willingness to open your home to children in need of safety, stability and love is greatly appreciated. Our Child Welfare System relies heavily on you to help mitigate the trauma for children who, by no fault of their own, are removed from their families in order to ensure their safety and well-being. Research shows that even those children who have suffered abuse or neglect will want to be at home with their families. Words cannot express our gratitude for all you do on behalf of Indiana's children.

The purpose of this letter is to share upcoming rate changes with you and explain additional reimbursements that may be available to foster parents. As a result of a legal settlement, DCS agreed to develop a rate setting methodology to determine foster care rates. To that end, DCS drafted administrative rules and held public hearings to gather input on the proposed methodology. The rules are now final and are being used to establish new rates effective January 1, 2012.

The foundation of the new foster care rates is that the per diem amount will be paid based on the needs of the child, not on the licensure type of the foster family home. DCS will determine the child's needs by utilizing the Child and Adolescent Needs and Strengths (CANS) assessment tool and with input from the child and family team. During the CANS process, the Family Case Manager (FCM) will gather information on the child through various available sources, which may include the parent/guardian/custodian, school personnel, relatives, providers, foster parents and others. The results will be used to assist FCMs in making placement decisions for the child based on the appropriate category of supervision necessary. Effective January 1, 2012, the categories of supervision will be: Foster Care, Foster Care with Services, Therapeutic Foster Care and Therapeutic Plus. A foster care rate has been established for each category of supervision (see below).

As set out in the rules, the foster care rates cover the reasonable costs of caring for a foster child including, but not limited to; food, clothing, shelter, daily supervision, a child's personal incidentals and travel for visitation and school. To establish the foster care rates, DCS engaged the Ball State University Center for Business and Economic Research to survey Indiana foster parents. Many currently licensed foster parents received a survey and responded, and we thank you for that assistance in establishing the new rate structure. Results of the study indicate rates should differ based on the age of the child. A copy of the study is available on the DCS website at: [www.dcs.in.gov](http://www.dcs.in.gov).



*Protecting our children, families and future*

The standard per diem payments **effective January 1, 2012** are:

<b>Category of Supervision</b>	<b>Infant – 4 years</b>	<b>5 – 13 years</b>	<b>14 – 18 years</b>
Foster Care	\$18.28	\$19.85	\$22.90
Foster Care with Services	\$26.05	\$27.62	\$30.67
Therapeutic Foster Care	\$38.19	\$39.76	\$42.81
Therapeutic Plus	\$61.94	\$63.51	\$66.56

In addition to the above described per diem payment, foster parents may receive the following payments to purchase items for the benefit of the child:

1. Initial Clothing Allowance – DCS may provide the foster family with an Initial Clothing and Personal Items Allotment at the time of placement of up to \$200 based on the child's need.
2. Liability Insurance – DCS will provide foster care liability insurance for foster parents through a contract with the Indiana Foster Care and Adoption Association (IFCAA). Foster parents no longer need to be members of IFCAA to obtain the insurance.
3. Personal Allowance – DCS will reimburse foster parents up to \$300 annually for each child in placement. Foster parents may request reimbursement for personal allowance items once the child has been in placement for at least 8 days. The items that fall within the personal allowance will be defined in DCS Policy.
4. Special Occasion Allowance – DCS will provide a \$50 special occasion allowance on the child's birthday and a \$50 special occasion allowance during the December holidays.
5. Travel Reimbursement – DCS will reimburse foster parents for travel in excess of 162<sup>1</sup> miles if the travel is for visitation, school, physical/behavioral health appointment or other DCS required travel which will be set out in the Indiana Foster Parent Resource Guide.

Additional information about these rates, the process for claiming reimbursements, and information about other resources available to foster parents can be found in the updated Indiana Foster Parent Resource Guide available on the DCS website in October, 2011. I realize these changes will likely generate a number of questions. DCS will be hosting regional forums throughout September to provide foster parents an opportunity to ask questions or raise concerns. Up to two hours of training credits will be provided to those attending. Please look at the schedule included with this letter. I encourage you to attend a forum to ask our staff any questions you may have about these changes.

Thank you again for the love and care you provide to Indiana's youth.

Best regards,

James W. Payne, Director

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<sup>1</sup> The foster care per diem covers 162 miles per month for travel as determined by the Ball State Study. If foster parents travel in excess of 162 miles for the reasons cited in 5 above, foster parents can invoice DCS for the additional travel.